



Department of Defense DIRECTIVE

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SUBJECT: DoD Executive Agent (EA) for Bulk Petroleum

- References:
- (a) Title 10, United States Code Sec 125 *et al*
 - (b) DoD Directive 5100.88, "DoD Executive Agent," September 3, 2002
 - (c) DoD Directive 4140.25, "DoD Management Policy for Energy Commodities and Related Services," April 20, 1999
 - (d) DoD 7000.14-R, Volumes 2A, 2B, 3 and 11B, "Department of Defense Financial Management Regulations, various dates
 - (e) DoD Directive 5530.3, "International Agreements," June 1987

1. PURPOSE

Pursuant to the authority of the Secretary of Defense under reference (a), this Directive:

- 1.1. Designates the Director, Defense Logistics Agency (DLA) as the Bulk Petroleum EA for the Department of Defense (DoD), with authority to redelegate to the Defense Energy Support Center in accordance with reference (b).

2. APPLICABILITY AND SCOPE

- 2.1. This Directive applies to the Office of the Secretary of Defense, the Military Departments, the Chairman of the Joint Chiefs of Staff and the Joint Staff, Combatant Commands, the Office of the Inspector General, and DoD agencies, referred to collectively as the "DoD Components."
- 2.2. This Directive covers the roles, responsibilities, and authorities of the EA and the relationship of the EA to the other DoD Components worldwide in peacetime, wartime and contingencies other than war.

3. DEFINITIONS

Terms used in this directive are defined in enclosure 1.

4. POLICY

It is DoD policy that the Bulk Petroleum EA shall:

- 4.1. Execute Supply Chain Management for all bulk petroleum owned by the Department of Defense and be responsible for all bulk petroleum supply management from source of supply to the point of customer acceptance, with emphasis on improving efficiency. This includes a requirement for customer relationship management. The EA will be responsible for collaboration with Defense/Federal customers, and, during combined operations, with allied and friendly forces where DLA is the designated fuels Role Support Nation.
- 4.2. Improve support to the warfighter by ensuring peacetime efficient and wartime effective customer support.
- 4.3. Acquire, store and distribute bulk petroleum to all customers of the Department of Defense wherever and whenever it is needed across the full range of operational situations, with the goal of providing the appropriate fuel support for every weapon system.
- 4.4. Integrate civil and military petroleum capabilities to the maximum extent feasible throughout the world where military operations occur.
- 4.5. Coordinate with the DoD Components on matters involving fuel acquisition, distribution and handling whenever operational constraints may be implied.
- 4.6. Provide fuel support to Combatant Commanders to meet their operational requirements.
- 4.7. Nothing in this Directive alters the responsibilities of the DoD components to execute the responsibilities defined in reference (c) above.

5. RESPONSIBILITIES AND FUNCTIONS

- 5.1. The Under Secretary of Defense (Acquisition, Technology and Logistics) shall provide policy, guidance, and oversight as necessary to ensure the timely and successful implementation of this Directive.
- 5.2. The Under Secretary of Defense (Comptroller) shall include requirements and oversight for implementation of this Directive in the Program and Budget for the EA and other DoD Components.
- 5.3. The Chairman of the Joint Chiefs of Staff shall include the EA in matters regarding DoD military contingency and wartime planning and execution.

5.4. The Combatant Commanders shall:

- 5.4.1. Integrate assigned EA personnel into the joint operations planning and execution processes.
- 5.4.2. Integrate EA analysis and recommendations for bulk petroleum receipt, storage, distribution, and quality including U.S. government, allied, coalition, Host Nation and commercial capabilities, during deliberate, crisis-action, and exercise planning in accordance with the Combatant Commander's priorities.
- 5.4.3. Provide an assessment of the EA's effectiveness and efficiency in meeting requirements and make appropriate recommendations for improvements through participation in the DoD Component Steering Group.

5.5. The Secretaries of the Military Departments shall:

- 5.5.1. Budget for and fund reimbursement to the EA for goods and services provided through the Defense Working Capital Fund DoD Standard Price structure.
- 5.5.2. Ensure adequate organic capabilities exist to discharge the responsibilities in this Directive.
- 5.5.3. Provide an assessment of the EA's effectiveness and efficiency in meeting requirements and make appropriate recommendations for improvements through participation in the EA Component Steering Group.
- 5.5.4. Provide the necessary force structure (personnel and equipment) to install and operate tactical petroleum storage and distribution systems.
- 5.5.5. Comply with standardized equipment and training recommendations made by the EA and endorsed by the EA Component Steering Group.

5.6. The Director, Defense Logistics Agency (Executive Agent for Bulk Petroleum) shall:

- 5.6.1. Engage in planning with the DoD Components including sharing and leveraging of DoD resources to reduce costs and avoid unnecessary redundancies.
- 5.6.2. Establish and maintain an integrated management information system to support the implementation of this Directive, to include:

- 5.6.2.1. Bulk petroleum management information and financial accounting system in accordance with reference (d).
- 5.6.2.2. In coordination with DoD Components, visibility of U.S. government, allied, coalition, host nation and commercial bulk petroleum assets.
- 5.6.3. Ensure effective end-to-end distribution; establish equipment standards and interoperability requirements in collaboration with the Military Services and combatant commands.
- 5.6.4. Under special agreement with the Military Services, DLA may procure (to include periodic replacement from capital accounts), lease, capitalize, distribute, and through the use of contract services, maintain and centrally store common tactical equipment.
- 5.6.5. Provide terminal operation service and visibility of fuel assets.
- 5.6.6. In coordination with the DoD Components, define requirements, and identify and optimize life-cycle process of standardized bulk petroleum handling equipment.
- 5.6.7. Participate in joint operations planning and execution processes to include:
 - 5.6.7.1. Negotiate agreements with Combatant Commanders, establishing levels of support from the EA. When feasible, these should be performance-based.
 - 5.6.7.2. Coordinate with DoD Components to ensure fuel requirements, operations, and constraints are addressed in the fuels annex of operation plans with assigned time-phased force deployment data (TPFDD).
 - 5.6.7.3. In coordination with the DoD Components, plan and negotiate formal Host Nation, allied, and coalition support, operations, and development and release of bulk petroleum information (reference e).
- 5.6.8. Coordinate with the DoD Components, to expand joint bulk petroleum training capabilities for DoD civilian and military personnel using common terminology, industry and DoD best practices, and providing a common curriculum for interoperability.
- 5.6.9. Establish and chair, in coordination with the DoD Components, various forums to engage in project prioritization and resource allocation to assure appropriate fuel support.

5.6.10. In conjunction with the DoD Components, develop standardized quality policy and procedures across the supply chain to reflect weapon systems requirements and maximize effectiveness and efficiency.

5.6.11. Establish and chair a DoD Component Steering Group. The Group will use Integrated Process Teams to:

5.6.11.1. Establish best commercial practice arrangements between suppliers and end users and between DoD Component and host nations.

5.6.11.2. Adopt commercially based standards to include, but not limited to, distribution, equipment, and quality.

6. EFFECTIVE DATE

This Directive is effective immediately.

Enclosure:

1. Definitions

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Enclosure:**DEFINITIONS**

- (a) **Bulk Petroleum:** For the purpose of EA roles and responsibilities, Bulk Petroleum is normally product procured and owned by DESC (capitalized). Bulk Petroleum is stored in tankage having a fill capacity greater than 208 liters (55 U.S. gallons). Without regard to the procurement mechanism, Bulk Petroleum is delivered in volumes greater than 208 liters (55 U.S. gallons) using delivery modes such as tank trucks/cars, pipelines, coastal barges, and ocean tankers. The Fuels Automated System accounts for Bulk Petroleum inventory and financial transactions.
- (b) **Customer Acceptance:** Point of sale or title transfer from DESC to an entity within or outside the Department.
- (c) **Executive Agent:** The Head of a DoD Component to whom the Secretary of Defense or the Deputy Secretary of Defense has assigned specific responsibilities, functions, and authorities to provide defined levels of support for operational missions, or administrative or other designated activities that involve two or more of the DoD Components. The nature and scope of the DoD Executive Agents' responsibilities, functions, and authorities shall:
- Be prescribed at the time of assignment
 - Remain in effect until the Secretary of Defense or the Deputy Secretary of Defense revokes or supersedes them.
- (d) **Information Requirements:** Management information and reporting to meet Component and Executive Agent needs.
- (e) **Integrated Materiel Management:** Combined item, supply, distribution and financial management, in this case, of Bulk petroleum products and specified required supporting services
- (f) **Lead Agents (Theater Lead Agents):** Representatives of Combatant Commanders who are appointed to represent Combatant Commanders requirements and needs in the implementation of this Directive
- (g) **Logistics Civilian Augmentation Program (LOGCAP):** LOGCAP is a U.S. Army initiative for peacetime planning for the use of civilian contractors in wartime and other contingencies. These contractors will perform selected services to support U.S. forces in support of DoD missions. Use of contractors in a theater of operations allows the release of military units for other missions or to fill support shortfalls. LOGCAP provides the Army with additional means to adequately support the current and programmed forces.
- (h) **Role Specialist Nation/Lead Nation:** One nation assumes the responsibility for procuring and providing a broad spectrum of logistic support for all or a part of the multinational force and/or headquarters. Compensation and/or reimbursement will then be subject to agreements between the parties involved. The lead nation may also assume the responsibility to coordinate logistics of the other nations within its functional and regional area of responsibility. See also logistic support; multinational force.

- (i) Supply Chain Management: The added value produced for the end user or ultimate consumer by integrating the processes involved in managing the flow of products, services, and information from supplier to the end user.

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